

AGENDA ITEM III C
PROPOSED ACADEMIC PROGRAMS
UNIVERSITY OF NEW ORLEANS
B.S. IN ENTREPRENEURSHIP

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BACKGROUND INFORMATION

The University's College of Business is accredited by the American Association of Collegiate Schools of Business (AACSB). Currently underway is a College-wide emphasis on entrepreneurship, an emphasis which includes the creation of an Entrepreneurship Center and the desire to hire additional faculty with expertise in entrepreneurship over the next five years. The staff also notes that, as an area of entrepreneurship and innovation, New Orleans was recently ranked 213th among 349 communities studied by a research firm for the Small Business Administration and Edward Lowe Foundation.

STAFF ANALYSIS

1. Objectives, Curriculum

The proposal provides an overview:

The objective of the Entrepreneurship degree program is to provide an awareness of self-employment as a career option and to train future business practitioners in the skills and knowledge needed to start, grow, and manage small-to-medium-sized businesses successfully, as well as practicing entrepreneurship (also called intrapreneurship) in large organizations. ... A business life cycle approach of startup, growth, and maturity will serve as a framework. ... Practicum courses will provide opportunities for application via small business consulting and internships. The pedagogical emphasis is on experiential learning.

The 120-hour curriculum is divided as follows:

General education courses	50 hrs.
note: the mathematics is either algebra, pre-calculus, or elementary statistics	
General business administration courses	46 hrs.
i.e., financial and managerial accounting, computer applications, legal environment, micro and macro economics, financial management, marketing, stats for business, business communication, operations/systems management, organizational behavior and systems, and business policies and problems	

General education courses

50 hrs.

note: the mathematics is either algebra, pre-calculus, or elementary statistics

Major coursework in entrepreneurship

24 hrs.

i.e., one 1000-level survey, two 3000-level courses in managerial skills and finance, two 4000-level experiential classes in new business ventures and entrepreneurial field studies, and three electives either at the 3000 or 4000-level in business administration, management, or finance.

Comparing the proposed curriculum to similar programs in Louisiana and across the country, in-state reviewers and staff asked a number of questions about the curriculum (excerpted below, followed by the University's responses in italics):

- a) How does this program differ from a B.S. in Business Administration with a concentration in Entrepreneurship?

The B.S. in Business Administration gives wide discretion to the student. The B.S. in Entrepreneurship requires the student to take specific entrepreneurship courses. ... A major advantage of the B.S. in Entrepreneurship, like Finance, etc., is that it means something. It clearly defines the study and career preparation area of the student.

- b) To what extent would a one-credit self-assessment seminar designed to evaluate students' likelihood of success in entrepreneurship be feasible and useful?

We do not plan to offer such a seminar at this point in time. Our present plan is to administer a risk assessment quiz to students in introductory entrepreneurship classes and to discuss the results.

- c) Why is the first required course in the major a 1000-level course?

[The University replied that it serves to draw non-business majors into the area.]

- d) What required parts of the curriculum are specifically designed to train students in recognizing and evaluating new market (and perhaps new intrapreneurial) opportunities?

The principles of opportunity recognition are covered in BA 1001 (the introductory survey) and BA 4056 (new business ventures; part of writing the business plan). Special emphasis is given to this topic in BA 3056 (managerial skills for entrepreneurs; during the topic of networking). New market evaluation may be done in BA 4076, depending upon the students' consulting project.

- e) What can and should be done to integrate business plan writing across the required components of the curriculum?

Students are introduced to the elements of the business plan in BA 1001 (the survey).

About one-third of the course is devoted to what business plans are all about. ... Students are required to write a business plan in BA 4056 (new business ventures). ... A second opportunity to write a business plan may be available in BA 4076 (small business consulting) where the student may assist the client in writing a business plan.

The integration of the business plan across other business disciplines needs to be examined.

- f) To what extent is computer network technology integrated into the curriculum?

Staff note: The University listed a number of ways its students are expected to use computer network technology regularly. In addition:

The College of Business is setting up the BellSouth Telecommunications Center in the new business building to support the use of leading-edge, state-of-the-art information technologies in enterprises. ... There is an MIS (Management Information Systems) minor offered in the College, and students can take an Entrepreneurship major plus an MIS minor (or vice versa) to combine IT and entrepreneurship.

- g) How exactly will this program reach out to women and urban minority students?

Promoting the program to high school students can be made via recruitment efforts through the Freshman Admissions Program; Multicultural Day on campus; ACT Prep Workshop; "Extending the Dream" event in area high schools.

Another possibility is to offer BA 1001 (the introductory survey) at St. Augustine High School. UNO offers an IT course there for credit already.

The message of the Entrepreneurship program and self-employment as a career option across campus may be delivered to UNO students via guest lectures and panel discussions by minority and female business owners. A past project of bringing a series of panels and presentations to UNO about African-American entrepreneurship in New Orleans. Another project targeted UNO female students, faculty, and staff, and was to explore diversity and gender issues faced by female business owners of different ethnic backgrounds. Some 1500 persons were reached by these projects. Similar activities will be continued.

2. Need

There are no similar degree programs within 250 miles of the University. Louisiana Tech University offers a B.S. Business Management and Entrepreneurship; it also offers a 21-hour minor in Entrepreneurship for students not in the college. The University of Louisiana at Monroe also offers a Bachelor of Business Administration in Business Management and Entrepreneurship. Closer to UNO, the Rucks Department of Management at LSU A&M offers a B.S. in Management with a 15-hour concentration in Entrepreneurship.

The University provided multiple pages of statistics related to the economy of the greater New

Orleans metropolitan area. If the data is accurate, small business growth in that area is increasing moderately. This proposed program could help stimulate small-business growth further. This represents an opportunity for the University to demonstrate once again a specific and clear link between education and economic vitality.

3. Students

Although few students at UNO choose Entrepreneurship as a minor program, student demand for entrepreneurship courses (both off- and on-campus) is consistently strong: several entrepreneurship courses have had capacity enrollments for multiple semesters. The introductory survey of entrepreneurship is particularly popular, drawing students from across UNO's several colleges. University projections of enrollment are based on a (1-5%) percentage of total (and increasing) enrollment in its College of Business, as follows:

	Year One	Year Two	Year Three	Year Four	Year Five
Fresh	25	30	35	40	45
Soph	20	25	30	35	40
Junior	15	20	25	30	35
Senior	10	15	20	25	30
Graduates	10	15	20	25	30

The University expects considerable enrollment and completers in the first year of implementation because the majority of the curriculum is similar to the existing curriculum for Business Administration. The University expects that “the program will attract a student cohort that is not interested in typical function-based programs such as marketing, accounting, or general business administration.”

In addition, the University anticipates “that there will be students enrolling in the entrepreneurship program who otherwise would not have enrolled in the University.”

4. Faculty

The University states that no new faculty will be required to initiate the program.

Four full professors in the Department of Management, two associate professors in Finance, and four adjunct professors are to be directly associated with the program. One of the full professors will serve as director. Faculty credentials and duties were outlined fully in the proposal. The student to faculty ratio in the Department of Management, where this program would be housed, is 32:1.

In-state reviewers and staff expressed concern that some of the faculty, particularly those who are tenured, are approaching retirement age. The University responded as follows:

Two million dollars has been pledged... to create our Entrepreneurship Center. Our College-wide initiative in entrepreneurship will include building a larger core of faculty in entrepreneurship over the next five years. In the near term, ... an Associate Professor of Management will become more involved in entrepreneurship courses, research, and outreach activities. We will continue to use adjunct faculty... who bring real-world experience to the classroom. Adjuncts are commonly used in university entrepreneurship programs throughout the U.S.

In the interim, six full-time faculty members are available to supervise and evaluate internships, consulting projects, and independent studies.

5. Library

From the proposal:

The current library holdings are sufficient for the proposed program. In anticipation of the projected program, the library has been systematically adding materials in the small business and entrepreneurship subject areas since 1995. In addition to purchasing materials based on faculty requests and an approval plan, the business librarian actively researches and buys relevant materials that have not already been requested. All the materials are in the library's new, web-based online catalog.

The library currently owns over 1200 books in this subject area and 4800 items when government publications are included. Subject-specific journals and popular magazines, including titles such as Entrepreneurship Theory and Practice, Journal of Small Business Management, Black Enterprise, and Inc., are subscribed to among over 450 business periodicals and services. The projected program's holdings will be improved as the library and the program expand.

The UNO library participates in the statewide network LOUIS and LALINC. The library budget for the entrepreneurship program would be part of the allocation for the Department of Management.

6. Facilities/Equipment

From the proposal:

The Department of Management is housed in the College of Business Administration on the UNO campus. All of the present faculty members have individual or shared (primarily adjunct) offices. There is a department office with a secretarial staff. The existing facilities are adequate.

Kirschman Hall (a new facility) is under construction for the College of Business Administration and is scheduled to be completed by the end of 2004 and occupied in 2005. The four-story building will house faculty and administrative offices, twenty-two classrooms, an Executive Education Center, and a BellSouth Telecommunications Center. The latest in educational technology will be used in Kirschman Hall... The

building is estimated to cost \$20 million.

7. Administration

The program will be supervised by a Program Director in the Department of Management within the College of Business Administration.

8. Accreditation

The program is eligible to be accredited by the AACSB as part of the College of Business (COB). The COB was recently re-accredited by the AACSB in September 2000.

9. Budget

The University states that “no additional funds will be needed” to offer the program in its first five years. All necessary faculty are already in place, so costs “will be absorbed out of current sources of revenue.”

The University supplied detailed budgets for its Department of Management for the last several years. The program in entrepreneurship will be funded out of this budget; the University does not plan to budget for the program separately. The staff observes that the budget for the Department of Management operates slightly and consistently in the red; the staff assumes that the University covers the deficits with other than departmental funding.

STAFF SUMMARY

In the staff's view, the issue of need in this case is less a matter of duplication or unmet need than a matter of the good that may come of high-quality programs of this type anywhere: sharper educational focus on a key sector of economic growth, a more visible stimulus to high school and college students with entrepreneurial spirit -- both of which serve demonstrably to promote economic creativity and self-reliance in a state whose future depends on both. Consequently, the University's rationale that the new program would represent a better, more focused response to the economic needs of its metropolitan area is fundamentally sound.

With the help of in-state reviewers, the staff has compared the proposed curriculum to in-state and national models and concludes that its design compares favorably to them. Several concerns remain: 1) the introductory survey should be offered at the 3000-level and a similar course should be offered at the 1000-level for non-majors; 2) the program lacks a separate, noticeable course in business ethics; and 3) the number of strictly “entrepreneurship” hours in the major do not total much beyond the amount represented by a concentration. Additional faculty hires may well result in a more robust major portion of the curriculum.

Resources for the program are already in place. The faculty are qualified; some are well-advanced in their careers. Physical facilities are currently adequate and will obviously be strengthened by the completion of Kirschman Hall. Library resources are adequate: the University responded promptly and positively to recommendations for further periodical resources. Administrative plans are reasonable and will have little impact on current

arrangements. Accreditation of the program is known to be mandatory and will be addressed accordingly. The budgetary impact of the program's cost will be minimal, as the program represents a re-framing of existing coursework and existing faculty resources.

In light of remaining curricular concerns, the staff recommends conditional approval. A subsequent program implementation report, addressed to the Commissioner of Higher Education, should be required on June 1, 2006. The report should address the curricular concerns expressed in the staff analysis.

STAFF RECOMMENDATION

The staff recommends that the Academic and Student Affairs Committee grant conditional approval for the proposed Bachelor of Science in Entrepreneurship program (CIP Code 52.0701) at the University of New Orleans, to be implemented beginning Fall 2005. On June 1, 2006, the University shall submit an implementation report to the Commissioner of Higher Education which addresses curricular concerns stated in the staff summary.